

Appendix C

Revenue Loss From Sales and Use Tax Exemptions⁴⁰

SALES AND USE TAX EXEMPTION DEVICES SUMMARY

Exemption	Statutory Reference*	FY02 Fiscal Effect
Exemptions for Property Sold Primarily to Households		
Food	s. 77.54 (20) and (20m)	\$455,000,000
Meals Furnished by Institutions of Higher Education	s. 77.54 (20) (c) 5	3,500,000
Water Sold Through Mains	s. 77.54 (17)	23,000,000
Fuel and Electricity for Residential Use	ss. 77.54 (30) (a) 1 and 2	99,100,000
Long-Term Rental Payments for Residential Real Estate	s. 77.52 (2) (a) 1	215,000,000
Manufactured Homes and Mobile Homes Used as Primary Housing	ss. 77.51 (4) (b) 6 and 7, (15) (b) 5 and 6, 77.54 (31)	2,000,000
Motor Fuels	s. 77.54 (11)	240,000,000
Newspapers, Periodicals and Shoppers Guides	s. 77.54 (15)	15,000,000
Caskets and Burial Vaults	s. 77.54 (21)	4,100,000
U.S. and State of Wisconsin Flags	s. 77.54 (46)	100,000
Coin-Operated Laundry and Dry Cleaning Services	s. 77.52 (2) (a) 6	2,600,000
Cloth Diapers and Diaper Services	ss. 77.51 (1m) and (3m), 77.52 (2) (a) 6 and 77.54 (40)	40,000
Exemptions Related to Health Care		
Prescription Drugs and Medicines	s. 77.54 (14)	107,000,000
Equipment used in the Treatment and Testing of Diabetes	ss. 77.54(14m) and (28)	1,600,000
Medical Devices (inc. Wheelchairs, Home Oxygen Equipment)	ss. 77.54 (14s) and (22)	13,500,000
Accommodations Provided by Hospitals, Nursing Homes, Nonprofit Associations and Religious Organizations	ss. 77.52 (2) (a) 1	86,100,000
Meals Provided by Nursing Homes Community-Based Residential Facilities and Hospitals, and Food Sold in Retirement Homes	ss. 77.54 (20) (c) 4	Not applicable
Exemptions Related to Farming		
Tractors and Farm Machinery	s. 77.54 (3)(a)	31,600,000
Electricity Used in Farming	ss. 77.54 (30) (a) 3	5,800,000
Fuel Used in Farming	ss. 77.54 (30) (a) 5	6,100,000
Veterinary Services and Medicines for Farm Livestock	ss. 77.52 (2) (a) 10 and 77.54 (33)	5,400,000
Semen for Livestock Breeding	s. 77.54 (27)	1,900,000
Milkhouse Supplies	s.77.54 (34)	5,600,000
Exemptions Related to Nonfarm Businesses		
Machinery and Equipment Used in Manufacturing	ss 77.54 (5) (d) and (6) (a)	167,000,000
Waste Treatment Facilities	s. 77.54 (26)	20,400,000
Machinery and Equipment Used in Recycling	s. 77.54 (5) (c) and (26m)	Not available
Logging Equipment	s. 77.54 (39)	600,000
Equipment Used in the Production of Maple Syrup	s. 77.54 (29)	Minimal
Wood Residue Used as a Fuel in a Business Activity	s. 77.54 (30) (a) 4	170,000
Long-Term Rental Payments for Real Estate Used for Business Purposes	s. 77.52 (2) (A) 1	365,000,000
Building Materials, Equipment and Supplies Used in the Construction of Professional Sports Stadiums	s. 77.54 (41)	3,100,000
One-time License or Right to Purchase Admissions to Professional Football Games	s. 77.54 (45)	170,000

SALES AND USE TAX EXEMPTION DEVICES SUMMARY
(continued)

Exemption	Statutory Reference*	FY02 Fiscal Effect
Exemptions Related to Nonfarm Businesses		
Trucks, Tractors, Buses and Other Vehicles Sold to Common or Contract Carriers	s. 77.54 (5) (b)	20,200,000
Commercial Vessels and Barges	s. 77.54 (13)	2,200,000
Rolling Stock Used in Railroad Operations	s. 77.54 (12)	6,600,000
Motion Picture and TV Film and Advertising Materials	s. 77.54 (23m)	8,200,000
Restaurant Employee Meals	s. 77.54 (20) (c) 4m	Not available
Tangible Personal Property Purchased for Resale but Donated to a Nonprofit Organization	s. 77.56 (3)	Not available
Prepaid Telephone Cards and Authorization Numbers	s. 77.54 (46m)	Not available
Exemptions for Government Agencies and Nonprofit Organizations		
Sales to the Federal Government and Its Agencies	s. 77.55 (1)	Not applicable
Sales to State and Local Governments and Schools	s. 77.54 (9a) (a) to (em), (g), (h)	252,000,000
Volunteer Fire Department Equipment	s. 77.54 (16)	Not available
Motor Vehicles Loaned to Driver Education Programs	s. 77.56 (2)	Not available
Religious, Charitable, Scientific and Educational Organizations	s. 77.54 (9a) (f)	86,100,000
Snowmobile Trail Grooming Equipment	s. 77.54 (38)	Minimal
Charges for Emergency Telephone Systems	s. 77.54 (37)	500,000
Admissions to Elementary and Secondary School Activities	s. 77.54 (9)	600,000
Hot Lunches and Other Tangible Personal Property Sold by Elementary and Secondary Schools	s. 77.54 (4)	8,500,000
Copies of Public Records	s. 77.54 (32)	Not available
Sales of Animal Identification Tags and Samples by the Department of Agriculture, Trade and Consumer Protection	s. 77.54 (42)	16,000
State Park Admission and Camping Fees	s. 77.54 (10)	600,000
Admissions to Certain Historical Museums	s. 77.54 (10)	37,000
Admissions to County Fairs	s. 77.52 (2) (a) 2	Not available
Sales by American Legion Baseball Teams	s. 77.54 (35)	Not available
Exemptions for Nonresidents and for Use in Other States		
Interstate Commerce	s. 77.54 (1)	Not applicable
Property used in the State by Nonresidents	s. 77.53 (17)	Not available
Nonresidents' Boats Berthed in Boundary Waters	s. 77.53 (17m)	Not available
Nonresidents' Aircraft Hangared in Wisconsin	s. 77.53 (17r)	Not available
Goods Brought into the State by New Residents	s. 77.53 (18)	Not available
Property Purchased for Use Outside the State	s. 77.55 (3)	Not available
Aircraft Sold for Use in Interstate Commerce	s. 77.54 (5) (a)	Not available
Aircraft, Motor Vehicles and Truck Bodies Sold for Use Outside the State	s. 77.54 (5) (a)	Not available
Property Sold to Out-of-State Common or Contract Carriers	s. 77.55 (2) and (2m)	Not available
Printed Advertising Material Used Outside the State	s. 77.54 (25)	Not available
Temporary Storage of Printed Materials	s. 77.54 (43)	Not available

SALES AND USE TAX EXEMPTION DEVICES SUMMARY
(continued)

Exemption	Statutory Reference*	FY02 Fiscal Effect
Definitional and Miscellaneous Exemptions		
Exemptions That Further Define Retail Sales	Various sections (see text)	Not applicable
Labor Input into Construction	ss. 77.51 (4) (c) 4 and 77.52 (2) (a) 10	450,000,000
Trade-Ins	s. 77.51 (4) (a) 3	140,000,000
Transportation Charges	ss. 77.51 (4) (b) 5 and (15) (b) 3	Not available
Occasional Sales	s. 77.54 (7) and (7m)	Not available
Auction Sales	ss. 77.51 (9) (e) and 77.54 (7)	Not available
Retailer's Discount	s. 77.61 (4) (b) and (c)	21,500,000

* References to sections of the 2001 Wisconsin Statutes.

SALES AND USE TAX EXEMPTIONS-SERVICES

Exemption	FY02 Fiscal Effect
Personal and Recreational Services	
Beauty, Barber, Nail and Other Personal Care Services	\$22,600,000
Funeral Services	10,600,000
Bank Account Service Charges	19,900,000
Dues and Fees Paid to Business Associations and Fraternal Organizations	12,500,000
Live Bands and Orchestras	200,000
Health Clubs	1,900,000
Admissions to Educational Events and Places	5,400,000
Veterinary Services for Pets	12,600,000
Dance Studios	700,000
Auto and Travel Clubs	1,900,000
Professional Services	
Services of Physicians, Dentists and Other Health Professionals	320,000,000
Legal Services	87,000,000
Architectural, Engineering and Surveying Services	63,000,000
Accounting Services	50,000,000
Tax Preparation Services	3,300,000
Business Services	
Advertising	108,800,000
Computer Services (inc. data processing and custom programming)	151,000,000
Management Consulting and Public Relations	50,000,000
Personnel Services	53,000,000
Addressing and Mailing	8,600,000
Credit Rating and Collection Services	7,300,000
Protective Services	13,000,000
Research, Development and Testing Services	26,000,000
Services Related to Real Property	
Commissions to Real Estate Brokers	46,000,000
Repair of Real Property	25,000,000
Interior Design	3,000,000
Janitorial Services	23,000,000
Disinfecting and Exterminating	2,300,000
Sewerage Services	21,300,000

